

1 2015, C.F. exchanged email correspondence with a representative from a payment  
2 processing company. In this email, C.F. identified himself as the CEO of Posting  
3 Solutions, described Backpage as a “brand” operated by Posting Solutions, and explained  
4 he was seeking to “find a way to position payments under another company.”

5 147. The following episode provides an example of how the Posting Solutions  
6 payment process worked. On October 16, 2015, Backpage received an email from a  
7 customer complaining about her inability to pay for ads using a credit card. In response, a  
8 Backpage representative explained—in an email exchange later forwarded to VAUGHT—  
9 that “[i]f you would like to pay for upgrades or buy credits, we suggest posting with  
10 alternative payment methods such as Bitcoin. If you are in the United States, you can also  
11 pay by check or money order. Please make payable to ‘Posting Solutions.’ WE CAN  
12 ONLY ACCEPT CHECKS OR MONEY ORDERS MADE OUT TO ‘POSTING  
13 SOLUTIONS.’ Posting Solutions. Attn: Accounts. P.O. Box 192307. Dallas, TX 75219.  
14 Please send through the United States Postal Service. FedEx, UPS, or other mail delivery  
15 alternatives cannot deliver to a P.O. Box. When sending your payment please be sure to  
16 include your email address. Please do not make your payments out to backpage.com as we  
17 will no longer be able to accept them.”

18 148. Between around September 2015 and June 2016, over \$7.1 million of checks  
19 and money orders sent by Backpage customers were deposited in bank accounts held by  
20 Posting Solutions.

21 149. Backpage also utilized a different entity, called Website Technologies, LLC  
22 (“Website Technologies”), to process Backpage-related funds and took steps to make it  
23 appear that Backpage and Website Technologies were independent entities. For example,  
24 on March 10, 2014, BRUNST, SPEAR, and others participated in an email exchange with  
25 the subject line “Website Technologies vs Backpage (Vendors, audits, risk assessments,  
26 email).” During this exchange, one person stated “[C.F.] and I were just discussing  
27 company names and the possibility of updating our email addresses to  
28



1 websitetechologies.com.” In response, BRUNST cautioned: “We need to think this thru  
2 or all the work to separate it from BP will be lost.” Similarly, on April 3, 2014, BRUNST  
3 sent an email to SPEAR and others explaining that “[b]y May 1 we will have to be out of  
4 US Bank. We will move all banking under Website Technologies at [a different bank,  
5 BMO Harris].”

6 150. In many instances, Backpage-related money that was initially deposited into  
7 accounts held by Posting Solutions was later transmitted to accounts held by Website  
8 Technologies. For example:

9 • On October 27, 2015, C.F. received an email entitled “Two packages coming  
10 your way! (Money Orders).” The email stated that two UPS packages filled with money  
11 orders were being sent—one containing \$47,647.25 of money orders made out to Backpage  
12 and the other containing \$52,251.48 of money orders made out to Posting Solutions.

13 • Similarly, on November 16, 2015, C.F. received an email entitled “Three  
14 packages sent today \$441,408.69.” The email stated that three packages filled with money  
15 orders were being sent—one containing \$129,193.61 of money orders made out to  
16 Backpage, another containing \$244,353.63 of money orders made out to Posting Solutions,  
17 and the last containing an additional \$67,861.75 of money orders made out to Posting  
18 Solutions.

19 • And again, on January 29, 2016, a Posting Solutions account wired \$2.4  
20 million to a Website Technologies account. PADILLA and C.F. were both authorized  
21 signers on the recipient account.

22 151. In addition to receiving millions of dollars from Posting Solutions, the  
23 Website Technologies accounts also served as the repository for millions of dollars of wires  
24 from international bank accounts controlled by Backpage-associated entities. For example,  
25 between January 2015 and December 2016, Website Technologies accounts received over  
26 \$45.4 million in wire transfers from Backpage-associated bank accounts in Liechtenstein,  
27 over \$30.1 million in wire transfers from Backpage-associated bank accounts in Iceland,  
28



1 and over \$3.9 million in wire transfers from Backpage-associated bank accounts in the  
2 Netherlands.

3 152. In many instances, the next stage of the money-laundering process was for  
4 money to be wired from Website Technologies accounts to bank accounts held by a  
5 different entity called Cereus Properties LLC ("Cereus Properties"). The authorized  
6 signers on the Cereus Properties accounts included SPEAR and BRUNST. Between  
7 around December 2015 and October 2016, Website Technologies accounts sent wire  
8 transfers totaling over \$47 million to accounts held by Cereus Properties.

9 153. Accounts held by Cereus Properties also received money directly from  
10 international bank accounts controlled by Backpage-associated entities. For example,  
11 between around August 2016 and November 2016, Cereus Properties accounts received  
12 over \$11.3 million in deposits and wire transfers from Backpage-associated accounts in the  
13 Netherlands.

14 154. After money reached Cereus Properties, large portions of it were funneled  
15 back to Backpage or to certain BACKPAGE DEFENDANTS. For example, between  
16 January 2016 and January 2017, LACEY (and LACEY's family members) received  
17 distributions totaling over \$30.3 million and LARKIN separately received distributions  
18 totaling over \$21 million.

19 155. Backpage also furthered its money laundering efforts through the use of  
20 bitcoin processing companies. Over time, Backpage utilized companies such as Coinbase,  
21 GoCoin, Paxful, Kraken, and Crypto Capital to receive payments from customers and/or  
22 route money through the accounts of related companies.

23 156. Backpage also furthered its money laundering efforts by developing ways for  
24 customers to purchase ads using gift cards issued by third-party vendors. This process was  
25 described in a July 23, 2015, email exchange between various Backpage employees on  
26 which HYER and others were copied. This exchange included the following: "[W]hat if  
27 we used a customers [sic] payment method, say visa prepaid card, to buy [bitcoin] from  
28



1 our seller account . . . giving said bitcoin to our catch-all wallet elsewhere (instead of to  
2 user), simultaneously adding credits/purchasing paid ad or upsells? From the user's  
3 perspective they just input their prepaid card and get their credits or purchase."

4 **COUNT 1**

5 **(Conspiracy)**

6 157. The factual allegations in Paragraphs 1-156 are incorporated by reference  
7 and re-alleged as though fully set forth herein.

8 158. Beginning in or around 2004, and continuing through the present, in the  
9 District of Arizona and elsewhere, defendants LACEY, LARKIN, SPEAR, HYER,  
10 PADILLA, and VAUGHT, and others known and unknown to the grand jury, knowingly  
11 and intentionally agreed, confederated, and conspired with each other, and with others  
12 known and unknown to the grand jury, to commit the following offenses against the United  
13 States:

- 14 a. 18 U.S.C. § 1952(a)(3)(A) (Travel Act—Facilitate Prostitution).

15 **OBJECT OF THE CONSPIRACY**

16 159. The object of the conspiracy was to obtain money.

17 **MANNER AND MEANS OF THE CONSPIRACY**

18 160. The manner and means of the conspiracy are described in paragraphs 1-156  
19 above, incorporated by reference and re-alleged as though fully set forth herein.

20 **OVERT ACTS**

21 161. Overt acts were committed in furtherance of the conspiracy, including but  
22 not limited to those described in paragraphs 1-156 above, incorporated by reference and  
23 re-alleged as though fully set forth herein.

24 In violation of 18 U.S.C. § 371.



**COUNTS 2-51**

**(Travel Act—Facilitate Prostitution)**

162. The factual allegations in Paragraphs 1-161 are incorporated by reference and re-alleged as though fully set forth herein.

163. On or about the dates set forth below, each instance constituting a separate count of this Indictment, in the District of Arizona and elsewhere, defendants LACEY, LARKIN, SPEAR, HYER, PADILLA, and VAUGHT, and others known and unknown to the grand jury, used the mail and any facility in interstate and foreign commerce with intent to otherwise promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on of an unlawful activity, to wit: prostitution offenses in violation of the laws of the State in which they are committed and of the United States, including but not limited to Title 13, Arizona Revised Statutes, Section 13-3214, and thereafter performed and attempted to perform an act that did promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on of the unlawful activity, as follows:

<u>Count</u>	<u>Date</u>	<u>Description</u>
2.	Sept. 10, 2013	Publish ad depicting Victim 5 entitled "Get freaky Tuesday . Come spend ur day with us – 19," with accompanying text "Doin incalls and outcalls"
3.	Jan. 27, 2014	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
4.	Jan. 29, 2014	Publish ad depicting Victim 8 entitled "Puerto Rican mami in walpole area INCALLS –19" after deleting one picture from the originally-submitted ad
5.	Jan. 31, 2014	Publish ad depicting Victim 8 entitled "Exotic latina, south portland area, ready to play, INCALLS, 30 min specials!!! –



		19" after deleting one picture from the originally-submitted ad
6.	Feb. 6, 2014	Publish ad involving P.R. entitled "75 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
7.	Apr. 20, 2014	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
8.	May 7, 2014	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
9.	May 31, 2014	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
10.	July 1, 2014	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
11.	Aug. 19, 2014	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
12.	Nov. 23, 2014	Publish ad depicting Victim 10 entitled "New in Town Super Hot Skinny Mixed Cuban Girl With Long Black Hair – 18" after deleting picture from originally-submitted ad
13.	Jan. 29, 2015	Publish ad depicting Victim 12 entitled "New in Town Sexy Dark Asian Bombshell with a Nice & Tight {Booty} – 23" after deleting one picture from the originally-submitted ad
14.	Jan. 31, 2015	Publish ad depicting Victim 10 entitled "NEW IN TOWN sexy sweet European mixed Cuban California girl – 21"
15.	Jan. 31, 2015	Publish ad depicting Victim 12 entitled "New in Town Sexy Dark Asian mixed Bombshell – 23" after deleting one picture from the originally-submitted ad
16.	Feb. 4, 2015	Publish ad depicting Victim 11 entitled "Upscale Independent BRUNETTE BOMBSHELL 5-Star Fantasy – 26," after



		deleting pictures from originally-submitted ad
17.	Feb. 18, 2015	Publish ad depicting Victim 11 entitled "Alexis Foxx the HOTTEST in town!!!! - 26," after deleting six pictures from the originally-submitted ad
18.	Feb. 26, 2015	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!!"
19.	May 18, 2015	Publish ad depicting Victim 15 entitled "GORGEOUS ebony PLAYMATE Perfect Curves...Skills to make ur TOES CURL - 19," after removing one picture of originally-submitted ad, with accompanying text "you agree . . . you are not affiliated with any law enforcement agency" and "Incalls & Outcall!!!"
20.	May 19, 2015	Publish ad depicting Victim 15 entitled "Hot & Dripping Submissive Ebony Playmates - 20," after removing one picture of originally-submitted ad, with accompanying text "you agree . . . you are not affiliated with any law enforcement agency" and "We're ready to please and accommodate all of your needs and wants!! With a mouth that'll ROCK your [] and a [picture of cat] that'll leave you purring for more"
21.	July 1, 2015	Publish ad depicting Victim 17 entitled "AbSoLuTeLy AmAziNg CoMe PLaY WiTh Me #1 MoST WaNtEd SwEeT SEXii PLAYmate - 20," with accompanying text "By contacting me you agree that you are not affiliated with any form of law enforcement," PERFECT & Will satisfy your every need," and "IN/CALLS - ONLY"
22.	July 2, 2015	Publish ad depicting Victim 17 entitled "SeXy!! Exotic playmate Call me! the girl you NEED to See! - 20," with



		accompanying text "I DO NOT OFFER 40\$, 50\$, 60\$ SPECIALS" and "IN/CALLS – ONLY"
23.	Aug. 13, 2015	Publish ad depicting Victim 13 entitled "Young SEXY PUERTO RICAN – 19," which accompanying text "I do half hour sessions that vary in donation prices, 80 for head, 120 for hooking up without head and 150 for hooking up with head"
24.	Aug. 15, 2015	Publish ad depicting Victim 16 entitled "Outcalls Now Freaky Curvy Caramel Lady OUTCALLS NOW – 23"
25.	Sept. 13, 2015	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
26.	Nov. 28, 2015	Publish ad involving P.R. entitled "50 Red R*O*S*E*S S*P*E*C*I*A*L - DONT MISS OUT!!!!"
27.	Apr. 21, 2016	Publish ad entitled "Finally!! PSE & GFE – Kimber Rae and MIA Marie Together BOOK NOW"
28.	Nov. 3, 2016	Publish ad entitled "GFEE New – 18"
29.	Nov. 11, 2016	Publish ad entitled "Mind blowing Tiffany. Incall in Taunton – 37," with accompanying text "Soft GFE . . . Im real and reviewed"
30.	Nov. 14, 2016	Publish ad entitled "Top Model 2016 Special 'Best Looking Young Asian' . . . – 22," with accompanying text "Sexy Asian Girl Incall Service" and "GFE"
31.	Nov. 14, 2016	Publish ad entitled "Sometimes It's All About The Journey, And The Destination.....Erectile Dysfunctional G F E Provider – 44," with accompanying test "You can find a few current reviews at T3R xxxxxx#" and "I have been EROS authenticated"



32.	Nov. 19, 2016	Publish ad entitled "The True (G)irl (F)riend (E)xperience... Visiting November 27th Sunday ~ PRE-BOOKING SPECIAL ~ - 100," with accompanying text "Let's blur restrictions between financial transaction & Romantic Connection"
33.	Nov. 24, 2016	Publish ad entitled "Top Asian Grand Opening 100% Young 100% Sexy . . . - 23," with accompanying text "BEST INCALL IN TOWN!" and "GFE"
34.	Nov. 26, 2016	Publish ad entitled "I LOVE MEN!! I'm a GFE. OutCall and Incall with exception on the Incall!! - 42"
35.	Dec. 20, 2016	Publish ad entitled "OMG Sexy Sensual 36DD-24-36 Stacked College Coed With The Best Mouth Ever! BOOK NOW! -24," with accompanying text "I do ALL the things YOU Wish Your Wife Did!!" and "(G).(F).(E) 30 min/\$180"
36.	Jan. 15, 2017	Publish ad entitled "Real & Reviewed Girlfriend Theonesweet.weebly.com - 30," with accompanying text "250 G F E"
37.	Apr. 4, 2017	Publish ad entitled "KISSING & GFE KOREAN GIRLS - 20"
38.	Apr. 11, 2017	Publish ad entitled "Pettit Sexy #Corey# 4407239339 - 39," with accompanying text "complete GFE experience"
39.	July 3, 2017	Publish ad entitled "WANNA HANG OUT NOW UpScale New In Town! Call ME now for an unforgettable visit - 20," with accompanying text "100% GFE with 100% no Pimps"
40.	July 15, 2017	Publish ad entitled "Ready for some fun daddy? This is your chance too have a amazing time - 21," with accompanying text "Slim body, nice tits, freaky, GFE"



41.	July 15, 2017	Publish ad entitled "New in town BiGBubble Booty SWEETLiPS HOT BODY – 24," with "GFE" in accompanying text
42.	July 21, 2017	Publish ad entitled "Pettit Sexy #Corey# 4407239339 – 30," with accompanying text "complete GFE experience"
43.	July 23, 2017	Publish ad entitled "ASIAN GODDESS young – 20," with accompanying text "100% Discreet service" and "#GFE"
44.	Jan. 26, 2018	Publish ad entitled "GFE Service Available! Private Encounters w/ Pampering Beauty"
45.	Jan. 30, 2018	Publish ad entitled "241 & white plans area Carfun Perfect Treat Available No Rush," with "Sweet Sexy GFE" in accompanying text
46.	Jan. 30, 2018	Publish ad entitled "GFE REAL HOT Sweet DREAM AMAZING BEST RELAX"
47.	Jan. 30, 2018	Publish ad entitled "Tall, Slim & Sexy Luxe Goddess * NARCISA * Sensual Body Rub + Fetish Sessions," with accompanying text "gfe Hh: \$160 H: \$220"
48.	Jan. 31, 2018	Publish ad entitled "Exotic Asian Beauty," with accompanying text "I am an independent GFE with excellent massage skills"
49.	Feb. 1, 2018	Publish ad entitled "Nuru (Best GFE ever) incall only"
50.	Feb. 6, 2018	Publish ad entitled "Tuesday with Ashleigh. Available now," with "GFE" in accompanying text
51.	Feb. 6, 2018	Publish ad entitled "GFE Kisskisspop 100% Real Photo Choice 9Asian girl Nurunude"

In violation of 18 U.S.C. § 1952(a)(3)(A) and (b)(1)(i).



**COUNT 52**

**(Conspiracy To Commit Money Laundering)**

164. The factual allegations in Paragraphs 1-163 are incorporated by reference and re-alleged as though fully set forth herein.

165. Beginning in or around 2004, and continuing through the present, in the District of Arizona and elsewhere, defendants LACEY, LARKIN, SPEAR, BRUNST, and HYER, and others known and unknown to the grand jury, knowingly and intentionally agreed, confederated, and conspired with each other, and with others known and unknown to the grand jury, to commit the following offenses against the United States:

- a. 18 U.S.C. § 1956(a)(1)(A)(i) (Promotional Money Laundering)
- b. 18 U.S.C. § 1956(a)(1)(B)(i) (Concealment Money Laundering)
- c. 18 U.S.C. § 1956(a)(2)(A) (Int'l Promotional Money Laundering)
- d. 18 U.S.C. § 1956(a)(2)(B)(i) (Int'l Concealment Money Laundering)
- e. 18 U.S.C. § 1597 (Transactional Money Laundering)

In violation of 18 U.S.C. § 1956(h).

**COUNTS 53-62**

**(Concealment Money Laundering)**

166. The factual allegations in Paragraphs 1-165 are incorporated by reference and re-alleged as though fully set forth herein.

167. On or about the dates set forth below, each instance constituting a separate count of this Indictment, in the District of Arizona and elsewhere, defendants LACEY, LARKIN, SPEAR, BRUNST, and HYER, and others known and unknown to the grand jury, knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, conducted and attempted to conduct such a financial transaction which in fact involved the proceeds of specified unlawful activity knowing that the transaction was designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of the specified



unlawful activity, as follows:

<u>Count</u>	<u>Date</u>	<u>Amount</u>	<u>Description</u>
53.	May 18, 2016	\$1,476,505.00	Website Technologies (x2008) to Cereus Properties (x6211)
54.	May 18, 2016	\$264,438.00	Website Technologies (x2008) to Cereus Properties (x6211)
55.	May 31, 2016	\$3,171,675.80	Website Technologies (x2008) to Cereus Properties (x6211)
56.	May 31, 2016	\$432,961.87	Website Technologies (x2008) to Cereus Properties (x6211)
57.	June 20, 2016	\$842,878.00	Website Technologies (x2008) to Cereus Properties (x6211)
58.	June 30, 2016	\$3,076,147.75	Website Technologies (x2008) to Cereus Properties (x6211)
59.	July 27, 2016	\$3,252,681.62	Website Technologies (x2008) to Cereus Properties (x6211)
60.	July 27, 2016	\$438,818.86	Website Technologies (x2008) to Cereus Properties (x6211)
61.	Aug. 16, 2016	\$804,250.00	Website Technologies (x2008) to Cereus Properties (x6211)
62.	Aug. 31, 2016	\$3,171,264.42	Website Technologies (x2008) to Cereus Properties (x6211)

In violation of 18 U.S.C. § 1956(a)(1)(B)(i).



**(International Promotional Money Laundering)**

169. On or about the dates set forth below, each instance constituting a separate count of this Indictment, in the District of Arizona and elsewhere, defendants LACEY, LARKIN, SPEAR, BRUNST, and HYER, and others known and unknown to the grand jury, transported, transmitted, and transferred, and attempted to transport, transmit, and transfer, a monetary instrument and funds from a place in the United States to and through a place outside the United States, and to a place in the United States from and through a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, as follows:

<u>Count</u>	<u>Date</u>	<u>Amount</u>	<u>Description</u>
63.	Mar. 4, 2014	\$6,450.00	U.S. Bank (x1165) to S.B. (web developer in India)
64.	Aug. 5, 2016	\$5,005,732.86	Ad Tech B.V. (Netherlands) to Cereus Properties (x6211)
65.	Sept, 22, 2016	\$2,916,955.00	Ad Tech B.V. (Netherlands) to Cereus Properties (x6211)
66.	Oct. 3, 2016	\$354,050.84	Ad Tech B.V. (Netherlands) to Cereus Properties (x6211)
67.	Nov. 2, 2016	\$2,726,170.00	Ad Tech B.V. (Netherlands) to Cereus Properties (x6211)
68.	Nov. 15, 2016	\$351,403.54	Ad Tech B.V. (Netherlands) to Cereus Properties (x6211)

In violation of 18 U.S.C. § 1956(a)(2)(A).



**COUNTS 69-93**

**(Transactional Money Laundering)**

170. The factual allegations in Paragraphs 1-169 are incorporated by reference and re-alleged as though fully set forth herein.

171. On or about the dates set forth below, each instance constituting a separate count of this Indictment, in the United States and in the District of Arizona and elsewhere, the specified defendant, and others known and unknown to the grand jury, knowingly engaged and attempted to engage in a monetary transaction in criminally derived property of a value greater than \$10,000 and is derived from specified unlawful activity, as follows:

<u>Count</u>	<u>Defendant</u>	<u>Date</u>	<u>Amount</u>	<u>Description</u>
69.	LACEY, BRUNST	Aug. 21, 2013	\$30,000.00	Bank of America (x1793) to Stewart Title (partial payment for Sedona property)
70.	LACEY, BRUNST	Sept. 13, 2013	\$62,491.47	BMO Harris to Stewart Title (partial payment for Sedona property)
71.	SPEAR	June 11, 2014	\$300,000.00	National Bank of Arizona (x0178) to Spear Family Trust
72.	SPEAR	June 20, 2014	\$200,000.00	National Bank of Arizona (x0178) to TD Ameritrade
73.	SPEAR	Nov. 4, 2014	\$1,000,000.00	National Bank of Arizona (x0178) to UBS Financial
74.	SPEAR	May 14, 2015	\$250,000.00	National Bank of Arizona (x0178) to Lincoln National Life
75.	SPEAR	May 26, 2015	\$50,000.00	National Bank of Arizona (x0178) to Industrial Property



				Trust
76.	SPEAR	Nov. 3, 2015	\$300,000.00	National Bank of Arizona (x0178) to Ally Bank
77.	SPEAR	Dec. 1, 2015	\$200,000.00	National Bank of Arizona (x0178) to Wells Fargo
78.	SPEAR, BRUNST	Jan. 11, 2016	\$133,045.00	Cereus Properties (x6211) to National Bank of Arizona (x0178)
79.	BRUNST	Jan. 26, 2016	\$101,974.00	Cereus Properties (x6211) to Wells Fargo (x4891)
80.	LARKIN, BRUNST	Feb. 3, 2016	\$1,507.944.00	Cereus Properties (x6211) to Charles Schwab
81.	LACEY, BRUNST	Mar. 1, 2016	\$1,692,020.00	Cereus Properties (x6211) to Bank of America (x5554)
82.	BRUNST	Apr. 1, 2016	\$220,944.00	Cereus Properties (x6211) to Wells Fargo (x4891)
83.	LACEY, BRUNST	June 27, 2016	\$397,9500.00	Arizona Bank & Trust (x1793) to Fidelity Title (partial payment for San Francisco property)
84.	LACEY, BRUNST	July 20, 2016	\$12,859,152.57	Arizona Bank & Trust (x1793) to Fidelity Title (partial payment for San Francisco property)
85.	SPEAR	July 22, 2016	\$50,000.00	National Bank of Arizona (x0178) to Strategic Storage Trust II
86.	LACEY, BRUNST	Aug. 2, 2016	\$16,243.00	Cereus Properties (x6211) to Wells Fargo (x0495)



87.	LARKIN, BRUNST	Oct. 6, 2016	\$1,206,356.00	Cereus Properties (x6211) to Charles Schwab (x4693)
88.	LACEY, BRUNST	Oct. 6, 2016	\$268,016.00	Cereus Properties (x6211) to Arizona Bank & Trust (x1967)
89.	LACEY, BRUNST	Oct. 6, 2016	\$268,016.00	Cereus Properties (x6211) to Arizona Bank & Trust (x1972)
90.	LACEY, BRUNST	Oct. 6, 2016	\$268,016.00	Cereus Properties (x6211) to Arizona Bank & Trust (x1986)
91.	LACEY, BRUNST	Oct. 6, 2016	\$268,016.00	Cereus Properties (x6211) to Arizona Bank & Trust (x1991)
92.	LACEY, BRUNST	Oct. 6, 2016	\$268,016.00	Cereus Properties (x6211) to Arizona Bank & Trust (x2014)
93.	SPEAR, BRUNST	Oct. 6, 2016	\$141,444.00	Cereus Properties (x6211) to National Bank of Arizona (x0178)

In violation of 18 U.S.C. § 1957.



**FORFEITURE ALLEGATION ONE**

[18 U.S.C. 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction under Counts 1 through 51 of this Indictment. Each defendant so convicted shall forfeit to the United States the following:

a. All right, title, and interest in any and all property, real or personal, constituting, or derived from, any proceeds obtained, directly or indirectly, as a result of the offense. Such property includes, but is not limited to, the real property located at the following addresses:

- i. 1100 UNION ST #0700 SAN FRANCISCO CA 94109-2019
- ii. 2043 PLEASANT HILL RD SEBASTOPOL CA 95472-4947
- iii. 343 PRESIDIO AVE, SAN FRANCISCO, CA 94115
- iv. 2755 FILLMORE ST, SAN FRANCISCO, CA 94123
- v. 5300 STELLA LANE, PARADISE VALLEY, AZ 85253
- vi. 16901 COLEGROVE DR., DALLAS, TX 75248
- vii. 10647 NORTH STATE ROUTE 89A, SEDONA, AZ
- viii. 493 ZINFANDEL LN, ST HELENA, CA 94574
- ix. 5555 N. CASA BLANCA DR, PARADISE VALLEY, AZ 85253
- x. 1308 E. 56TH ST UNIT 2, CHICAGO, IL 60637

Such property also includes, but is not limited to, funds held in the following bank accounts:

- i. Prosperity Bank account number XXXXX7188
- ii. Compass Bank Account number XXXXXX3873
- iii. Compass Bank Account number XXXXXX3825



- 1 iv. National Bank of Arizona Account number XXXX0178
- 2 v. National Bank of Arizona Account number XXXX0151
- 3 vi. National Bank of Arizona Account number XXXX3645
- 4 vii. Live Oak Bank Account Number XXXXXXXXXXXX2523
- 5 viii. Ascensus Broker Dealer Services Account Number XXXXX6943-01
- 6 ix. Ascensus Broker Dealer Services account Number XXXXX5280-01
- 7 x. First Federal Savings & Loan of San Rafael account number XXXX3620
- 8 xi. Republic Bank of Arizona account number XXXX1889
- 9 xii. Republic Bank of Arizona account number XXXX2592
- 10 xiii. Republic Bank of Arizona account number XXXX2912
- 11 xiv. Republic Bank of Arizona account number XXXX2500
- 12 xv. Republic Bank of Arizona account number XXXX1938
- 13 xvi. Bank of America Account number XXXXXXXXXXXXXXX8225
- 14 xvii. Bank of America Account number XXXXXXXXXXXXXXX7054
- 15 xviii. Bank of America Account number XXXXXXXXXXXXXXX9342
- 16 xix. Bank of America Account number XXXXXXXXXXXXXXX0071
- 17 xx. San Francisco Fire Credit Union Account Number XXXXXXXXXXXX2523
- 18 xxi. Ally Bank Account Number XXXXXX6292
- 19 xxii. Branch Banking and Trust Bank account number XXXXXXXXXXXX0218
- 20 xxiii. Green Bank Account number XXX4832
- 21 xxiv. Green Bank Account number XXXXXX4293
- 22 xxv. Plains Capital Bank account number XXXXXX1098

23 Such property further includes, but is not limited to, the following domain names:

- 24 i. atlantabackpage.com
- 25 ii. backpage.be
- 26 iii. backpage.com
- 27 iv. backpage.com.br
- 28



- 1 v. backpage.cz
- 2 vi. backpage.dk
- 3 vii. backpage.ee
- 4 viii. backpage.es
- 5 ix. backpage.fi
- 6 x. backpage.fr
- 7 xi. backpage.gr
- 8 xii. backpage.hu
- 9 xiii. backpage.ie
- 10 xiv. backpage.it
- 11 xv. backpage.lt
- 12 xvi. backpage.mx
- 13 xvii. backpage.net
- 14 xviii. backpage.no
- 15 xix. backpage.pl
- 16 xx. backpage.pt
- 17 xxi. backpage.ro
- 18 xxii. backpage.si
- 19 xxiii. backpage.sk
- 20 xxiv. backpage.us
- 21 xxv. backpage-insider.com
- 22 xxvi. bestofbackpage.com
- 23 xxvii. bestofbigcity.com
- 24 xxviii. bigcity.com
- 25 xxix. chicagobackpage.com
- 26 xxx. denverbackpage.com
- 27 xxxi. newyorkbackpage.com
- 28



- xxxii. phoenixbackpage.com
- xxxiii. sandiegobackpage.com
- xxxiv. seattlebackpage.com
- xxxv. tampabackpage.com

b. To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

2. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), the defendant shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as the result of any act or omission of the defendant, the property described in the preceding paragraph, or any portion thereof: (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been substantially diminished in value; or (e) has been commingled with other property that cannot be divided without difficulty.

#### **FORFEITURE ALLEGATION TWO**

[18 U.S.C. § 982(a)(1)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States will seek forfeiture as part of any sentence, pursuant Title 18, United States Code, Section 982(a)(1), in the event of any defendant's conviction under Counts 52 through 93 of this Indictment. Each defendant so convicted shall forfeit to the United States the following:

a. All right, title, and interest in any and all property, real or personal, involved in or traceable to any transaction set forth in Counts 52 through 93 of this Indictment. Such property includes, but is not limited to, the real property located at the following addresses:

- i. 1100 UNION ST #0700 SAN FRANCISCO CA 94109-2019
- ii. 2043 PLEASANT HILL RD SEBASTOPOL CA 95472-4947



- iii. 343 PRESIDIO AVE, SAN FRANCISCO, CA 94115
- iv. 2755 FILLMORE ST, SAN FRANCISCO, CA 94123
- v. 5300 STELLA LANE, PARADISE VALLEY, AZ 85253
- vi. 16901 COLEGROVE DR., DALLAS, TX 75248
- vii. 10647 NORTH STATE ROUTE 89A, SEDONA, AZ
- viii. 493 ZINFANDEL LN, ST HELENA, CA 94574
- ix. 5555 N. CASA BLANCA DR, PARADISE VALLEY, AZ 85253
- x. 1308 E. 56TH ST UNIT 2, CHICAGO, IL 60637

Such property also includes, but is not limited to, funds held in the following bank accounts:

- i. Prosperity Bank account number XXXXX7188
- ii. Compass Bank Account number XXXXXX3873
- iii. Compass Bank Account number XXXXXX3825
- iv. National Bank of Arizona Account number XXXX0178
- v. National Bank of Arizona Account number XXXX0151
- vi. National Bank of Arizona Account number XXXX3645
- vii. Live Oak Bank Account Number XXXXXXXXXXXX2523
- viii. Ascensus Broker Dealer Services Account Number XXXXX6943-01
- ix. Ascensus Broker Dealer Services account Number XXXXX5280-01
- x. First Federal Savings & Loan of San Rafael account number XXXX3620
- xi. Republic Bank of Arizona account number XXXX1889
- xii. Republic Bank of Arizona account number XXXX2592
- xiii. Republic Bank of Arizona account number XXXX2912
- xiv. Republic Bank of Arizona account number XXXX2500
- xv. Republic Bank of Arizona account number XXXX1938
- xvi. Bank of America Account number XXXXXXXXXXXXXXX8225



- xvii. Bank of America Account number XXXXXXXXXXXXX7054
- xviii. Bank of America Account number XXXXXXXXXXXXX9342
- xix. Bank of America Account number XXXXXXXXXXXXX0071
- xx. San Francisco Fire Credit Union Account Number XXXXXXXXXXXX2523
- xxi. Ally Bank Account Number XXXXXX6292
- xxii. Branch Banking and Trust Bank account number XXXXXXXXXXXX0218
- xxiii. Green Bank Account number XXX4832
- xxiv. Green Bank Account number XXXXXX4293
- xxv. Plains Capital Bank account number XXXXXX1098

Such property further includes, but is not limited to, the following domain names:

- i. atlantabackpage.com
- ii. backpage.be
- iii. backpage.com
- iv. backpage.com.br
- v. backpage.cz
- vi. backpage.dk
- vii. backpage.ee
- viii. backpage.es
- ix. backpage.fi
- x. backpage.fr
- xi. backpage.gr
- xii. backpage.hu
- xiii. backpage.ie
- xiv. backpage.it
- xv. backpage.lt
- xvi. backpage.mx



- 1 xvii. backpage.net
- 2 xviii. backpage.no
- 3 xix. backpage.pl
- 4 xx. backpage.pt
- 5 xxi. backpage.ro
- 6 xxii. backpage.si
- 7 xxiii. backpage.sk
- 8 xxiv. backpage.us
- 9 xxv. backpage-insider.com
- 10 xxvi. bestofbackpage.com
- 11 xxvii. bestofbigcity.com
- 12 xxviii. bigcity.com
- 13 xxix. chicagobackpage.com
- 14 xxx. denverbackpage.com
- 15 xxxi. newyorkbackpage.com
- 16 xxxii. phoenixbackpage.com
- 17 xxxiii. sandiegobackpage.com
- 18 xxxiv. seattlebackpage.com
- 19 xxxv. tampabackpage.com

21 b. To the extent such property is not available for forfeiture, a sum of  
22 money equal to the total value of such property.

23 2. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by  
24 Title 18, United States Code, Section 982(b), each defendant convicted under Counts 52  
25 through 93 of this Indictment shall forfeit substitute property, if, by any act or omission of  
26 that defendant, the property described in the preceding paragraph, or any portion thereof,  
27 cannot be located upon the exercise of due diligence; has been transferred, sold to, or  
28



1 deposited with a third party; has been placed beyond the jurisdiction of the court; has been  
2 substantially diminished in value; or has been commingled with other property that cannot  
3 be divided without difficulty.

4 A TRUE BILL

5  
6 S/  
FOREPERSON OF THE GRAND JURY  
7 Date: March 28, 2018

8 ELIZABETH A. STRANGE  
9 First Assistant United States Attorney  
District of Arizona

10 JOHN P. CRONAN  
11 Acting Assistant Attorney General  
Criminal Division, U.S. Department of Justice

12  
13 S/  
KEVIN M. RAPP  
14 DOMINIC LANZA  
MARGARET PERLMETER  
15 JOHN J. KUCERA  
Assistant U.S. Attorneys

16 REGINALD E. JONES  
17 Senior Trial Attorney  
U.S. Department of Justice, Criminal Division  
18 Child Exploitation and Obscenity Section



## Exhibit 35



Case 2:18-mj-01427-DUTY \*SEALED\* Document 1-1 \*SEALED\* Filed 06/04/18 Page 1 of 1  
Page ID #135

ORIGINAL

# United States District Court

CENTRAL

DISTRICT OF

CALIFORNIA

In the Matter of the Seizure of  
(Address to Best description of property to be seized)

SEIZURE WARRANT

ANY AND ALL FUNDS HELD IN ACACIA  
CONSERVATION FUNDS LP. ACCOUNT

CASE NUMBER: 2:18-MJ-01427

#2020

TO: United States Postal Service (USPS) and any Authorized Officer of the United States, Affidavit(s) having been made before me by DANIEL ANTONIO KYLE AL REYES who has reason to believe that in the Southern District of New York there is now certain property which is subject to forfeiture to the United States, namely (describe the property to be seized)

Any and all funds held in Acacia Conservation Funds LP, Account #2020

which is (state one or more bases for seizure under United States Code)

subject to seizure and forfeiture under 18 U.S.C. § 981(a)(1)(A) and (C)

concerning a violation of Title 18, United States Code, Sections 1952, 1956, and 1957.

I am satisfied that the affidavits and any recorded testimony establish probable cause to believe that the property so described is subject to seizure and that grounds exist for the issuance of this seizure warrant.

Acacia Conservation Funds LP is ordered to deliver said funds immediately and forthwith upon presentation of this warrant to the law enforcement agent serving the warrant, in the form of a cashier's check made payable to the United States Marshals Service.

YOU ARE HEREBY COMMANDED to seize within 14 days the property specified, serving this warrant and making the seizure in the daytime - i.e. 9 AM to 5 PM - leaving a copy of this warrant and receipt for the property seized, and prepare a written inventory of the property seized and promptly return this warrant to the undersigned judicial officer as required by law. The recipient of this Warrant is HEREBY COMMANDED to comply with the duties and obligations set out in Attachment A attached hereto.

June 4, 2018 4 20 pm

Date and Time Issued

Los Angeles, California

City and State

Hon. Jean Rosenbluth U.S. Magistrate Judge  
Name and Title of Judicial Officer

*Jean Rosenbluth*  
Signature of Judicial Officer

JOHN J. KUCERA smh

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RETURN		
DATE WARRANT RECEIVED	DATE AND TIME WARRANT EXECUTED	COPY OF WARRANT AND RECEIPT FOR ITEMS LEFT WITH
INVENTORY MADE IN THE PRESENCE OF		
INVENTORY OF PROPERTY SEIZED PURSUANT TO THE WARRANT		
CERTIFICATION		
<i>I declare under penalty of perjury that I am an officer who executed this warrant and that this inventory is correct and will be returned through a filing with the Clerk's Office.</i>		
Date: _____		
_____ <i>Executing Officer's Signature</i>		
_____ <i>Printed Name and Title</i>		



ATTACHMENT A

I. Seizure Procedure

A. The seizure warrant will be presented in person or transmitted via facsimile or email to personnel of Acacia Conservation Fund, LC, who will be directed to:

1. pay all USD Cash, Money Funds and Bank Deposits in the Subject Accounts forthwith to the United States Marshals Service ("USMS");
2. place the Subject Account, and each of them, in the name and under the control of the USMS;
3. maintain and continue to manage the securities held in the Subject Account numbered 41-282020 (including USD Fixed Income assets, Non-USD Fixed Income assets, USD Equities assets and Non-USD Equities assets), as well as any USD Cash that may accrue in the Subject Account following the presentation of the seizure warrant;
4. suspend all trading of securities in the remaining Subject Account pending the receipt of joint instructions from the government and the current account holders concerning such trading, or a further order of this Court; and
5. provide any and all statements for the Subject Account, monthly or otherwise, to the USMS in care of John Kucera, Assistant United States Attorney, Asset Forfeiture Section, United States Attorney's Office, 312 North Spring Street, 14th Floor, Los Angeles, California 90012. Acacia Conservation Fund, LP, shall also continue to provide such statements to the pre-seizure account holders.